A JOHN F. MURRAY LECTURE

THE UNITY OF THE FREE WORLD

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the Murray Newspaper Service and the Murray Syndicate Cut Service. He also formed the Wyeth Chemical Company which ultimately absorbed several drug companies and became the American Home Products Corporation, one of the largest firms in its field. Mr. Murray died in 1936. Sometime thereafter, his wife returned to Iowa and lived in Wheatland until her death in 1945.

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THE UNITY OF THE FREE WORLD

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"The Unity of the Free World"

BY BARBARA WARD, LADY JACKSON

Our subject, the unity of the free world, is one we can approach either from the angle of unity, or the angle of disunity. Both characteristics are, I think, apparent in our coalition of free nations in their attempt to solve the problems of living together in this insanely dangerous world. Yet there is a unity which we can take as our starting point which embraces more than the free world. It embraces all mankind. Whether we like it or not, something is happening to the whole human species as a *common* experience, something in which we all share. This is the transformation of our institutions, our ideas and our working economics from the old world of tradition, subsistence agriculture, marginal trade, and autocratic leadership over to the modern society which is based upon science, upon technology, upon political equality, upon the application of reason to wider and wider areas of life, to the presentation of everything under the hard light of reason and interest.

This tremendous change in the way of looking at the world began, I suppose, about two or three hundred years ago in the Western world, and now nobody can escape it. Not even the most primitive village in the Congo or the most remote tribal group in the Andes can get away from the fact that man is transforming himself according to a new pattern. In fact, I think if you want to understand any comparable shift you probably have to go back over millennia to the time when mankind gave up fishing and hunting as the main occupation of life and turned to the development of settled agriculture and city life, and built up the great archaic civilizations on this new basis. I need hardly say the whole process took a very long time.

We cannot trace all the changes that went with this transformation. The important point is that our present revolution entails even greater changes. This is nothing less than the gradual but steady absorption of all our activities into the scientific and technological mode. That change is going forward with the speed of a machine—we may pray God that it does not begin to go forward with the speed of a computer. But the acceleration of change is *the* characteristic of our day and it does unite all of mankind in a certain fateful unity. What we have begun in the West in technological and scientific transformation—and which is being done in a different way and under different principles in Soviet Russia—is now being spread to all mankind; in this sense there is a most profound unity in the world's experience and one which we have to understand if we are to have any hope of learning how the enormous changes of our day can be canalized for good and drawn away from the awful risk of annihilation which they bring with them.

II.

The changes all occurred first in the Western world. It would be a fascinating subject to spend a great deal of time examining why it was, that at a certain point in history, this European civilization with its extensions into North America and South America—but particularly into the North—began, as it were, to act as a new catalyst in human history; why suddenly all the forces of change began to agitate in one portion of the earth's surface and then to spread out to embrace the entire world. After millennia, literally millennia, of static tribal society, after two or three thousand years of archaic civilization, quite suddenly in the last few hundred years a new mutation in life began to appear in human history based upon profound changes in the Western outlook.

Now in shorthand one can say that the changes were the ideal of equality, which had a force and a vigor in Western society which it acquired nowhere else. Obviously, once you threw this incredible yeast into the podgy bread of human society, it would begin to produce extraordinary results. It swept away gradually the whole idea of traditional dynastic leadership; it began to create entirely new forms of political representation and political leadership, and although it is very difficult to define exactly what the limits of equality are—because no society yet has worked out fully what it means by equality—until that limit is reached, the idea is a potent, revolutionary and persistent force for change.

We may agree with George Orwell that in the Soviet experiment, "all animals are equal but some are more equal than others." Nonetheless at a time when large groups of the human race are still governed with an extreme inequality based upon birth and wealth and tradition, the idea of the equality of man—which the Communists exploit—is probably the most potent time bomb you could put into the human basement. And this is what the West did. This human equality is intimately linked with the idea of the equality of the nation and with the right to self determination; the right to form a national group into a nation state which would then claim equality with other nations is, I think, part of this revolution of equality. I doubt if any ideal of national self determination could have emerged if it hadn't been preceded by the idea of the rights of man. After all, if a man has the right to govern himself, then clearly his national community has the right as well. The movement of ideas from the French Revolution with its rights of man to President Wilson and the rights of nations is a clear and direct one. Together they made up the whole battery of new political ideas flung into the historical arena by the Western world.

Perhaps even more startling in the range of change has been the development of the natural sciences. This again is a phenomenon confined

largely to the Western world. It can trace its origins back to the Jews and the Greeks—to the Jewish idea of nature as God's handiwork and therefore of infinite value, to the Greek intoxication with the idea of law and with the extent to which the mathematical and the physical sciences showed forth an underlying structure of order which could be explored fruitfully by human reason. The Greeks confined this ideal largely to contemplation and were not wedded to its practical application to the whole range of nature. For this extension, we had to wait until the seventeenth century. After the wars of religion in western Europe, many people came to feel that theology had become the great divider as opposed to the great uniter of men. Then there was made in England a perfectly specific attempt to search for some new philosophy or idea that would unite men of intelligence. This was found in the natural sciences. The Royal Society was set up as the first institution of the modern world devoted to systematic research into the whole range of material things. It was founded—incidentally, by a bishop—with the idea of finding common ground in a divided culture.

This sudden turn of human interest away from ethical problems, away from metaphysics, away from the contemplation of the ends of man to an enormous concentration on the means and to an enormous sense of liberation of power because material things could be explored and manipulated—this happened only in the West. There are a number of reasons for this. The Indians did not give material things a very high degree of reality. They thought they were probably illusion. The Chinese mandarins apparently never thought that science was a proper occupation for gentlemen. So in spite of an incredibly rich intellectual tradition, science never flowered among them. But in the West from about the 18th century onwards you have this tremendous expansion in interest in science which goes on and dominates us to the present day.

Now these two great movements of equality on the one hand and of science on the other made possible a third tremendous change and that is the accumulation of capital and the coming of technology. And I think this is so for two reasons. The first is that in Western society this underlying idea of equality, linked as it was with the idea that various groups and interests had the right to express their equality through representation and that the state should be limited by law, led in the Middle Ages to the breakthrough of the merchant to positions of responsibility.

This never happened in other parts of the world because by and large elsewhere the merchant, even though he could accumulate wealth, did not have the influence, rights and protection needed to keep it. One of the officials of the East India Company had a very good phrase for this when he said the Asian monarch was like a bird's-nester; like the boy who lets the bird lay the eggs and then raids the nest. And so it was

with the Asian tax gatherers. They allowed the merchants to accumulate the wealth, then they were very prone to expropriate it. And as government was based not in law but mainly on the monarch's whim, the merchant had no protection.

Under these conditions you may hoard gold and silver and you may do very agreeable things like loading your wife with jewels—which I must confess is a habit I wish had not died out—but you do not necessarily accumulate capital. Least of all do you accumulate it in such a way that you set it working to create more wealth. In the West on the contrary the merchant made a decisive breakthrough as the Middle Ages advanced. In his corporations, in his independent cities, he became a responsible man, ruled by law and able, up to a point, to control *who* got his money. It is significant after all that the reason for summoning the first parliament in the West was to ask people if they would kindly give the king some money. Now, nobody ever asked citizens their opinion in China or India; the money was simply taken. So the idea that before you stripped a man, you actually asked him to agree was a big step forward. And later the process developed to the point where it was more difficult to strip him down because he was able to disagree. A sense of his rights and his ability to defend his own position became an accepted part of the social order in which he lived.

To this we must add the Puritan revolution, which had a vital effect on capital accumulation. By a most interesting paradox, men were on the one hand encouraged to make money because by doing so they were furthering the kingdom of God and expressing worship through their work. But on the other hand, the money once accumulated could not be spent in riotous living because that would be wrong and immoral. Now if people feel morally they must accumulate and morally that they must not spend, the result is a recipe for saving unequalled in any other society. And so it turned out. From the Reformation onward there was in Western Europe a steady accumulation of capital resources which would be available for further capital accumulation on a massive scale once there were enough techniques in which to invest.

The limits on saving were still the limitations of the old technology. After all, there is no point in investing if at the end of it you are no better off. The definition of a fruitful investment is that it increases productivity—in other words, you can get the same amount for less work or more for the same amount of work. Productivity therefore depends upon having the new kinds of energy, machines, gadgets, and technology which will increase the productiveness of work. But if you have no more energy than wind and water, no more speed than that of the horse, and nothing more skilled than the human hand, the limits on investment are pretty strict. But in the 18th century two things began to come together. The

fascination with science and with material things and how you manipulate them came together with the enterprise of an accumulating, investing class in England to produce what in my childhood used to be called the Industrial Revolution and which now is more rightly seen to be a general revolution based on science and technology. Industry seems most striking because it is new. But science was increasingly applied to practically everything. In fact, the agricultural revolution that accompanied the industrial revolution was fully as important: it may even have been more so.

As the 18th century advanced these inventors—Priestley, Crompton, Arkwright, Wilkinson, Watt—were at work in their little laboratories and basements and backrooms thinking up experiments like mad because they were so interested in the new technology. Meanwhile, other people were looking almost as eagerly for processes in which to invest their money—dukes, country gentlemen, bankers, moguls from India—one side had the inventions, the other had the resources. The result was a spontaneous wedding of the two. Out of it came such a burst of new investments and such an extension of technological change that, in the phrase we have learned from Professor Rostow, the old economic airplane, having trundled along the runway, suddenly began to take off. The analogy, I think, is a very useful one because it does give us the idea of the momentum that has to go into the processes of economic investment and growth if men are to move from the old static economy in which saving is never more than about five per cent of national income a year, on into the new economy where technology has so transformed the capacity to produce wealth that saving can increase threefold and more, consumption can go up, increased population can be fed and in addition there will still be a margin for further saving. In other words, the economy reaches the stage of "self-sustaining growth."

This was possible in Britain at the end of the 18th century because of the sudden enormous expansion in technological opportunity and the existence of men who were fascinated by the chance of putting their savings into this technology. My favorite, I must say, is John Wilkinson, who lived, died, ate, and dreamt the uses of iron. This was the thing he really lived for and he experimented ceaselessly throughout his life with what you could do with new methods of iron founding. In the course of it, he built iron boats, iron docks, iron bridges. He created the first big vertical trust, as we would now call it, and when he died he had himself buried in an iron coffin—being nothing but consistent. This was the kind of man with a passion for the new technology who launched the whole new development of the scientific economy and the new takeoff into sustained growth.

One has also to notice that the revolution was a tremendously expen-

sive affair. If you think of the number of things that have to be done for any economy in order to transform it into the modern technological, scientific society, you realize that the expense in terms of capital is simply overwhelming.

You have to transform agriculture. You cannot survive on the old subsistence economy because if farmers simply continue to produce for themselves they will not produce for the new industrial sector. So more food has to be produced by the existing farming population. And wherever there is considerable underpopulation as there was in most of Western Europe, an even more startling increase in productivity is necessary since men have to be released from farms to work in cities.

In England men like "Turnip" Townsend and Coke of Holkham were as dedicated to the transformation of agriculture as Wilkinson was to the transformation of industry. Turnip Townsend was called "Turnip" because he invented the method of feeding turnips as winter feed to cattle, which reduced the number of cattle that had to be slaughtered and put into salt meat each autumn.

Now they chomped their way steadily through the winter on Townsend's turnips. It sounds a small thing, but in fact it was a revolutionary change in productivity. Coke of Holkham invented a new method of rotation of crops which quadrupled and quintupled yields from the same land. He began to do what the American farmer is doing now on such a scale and with such extraordinary results. With the same amount of land and less labor, the English countryside began to feed all the new workers who were being drawn into the cities or coming over from Ireland—as often as not, to build one of the Duke of Bridgewater's canals which, incidentally, halved transportation costs and thus created a further margin for new investment.

After agriculture comes infrastructure—the overheads in transport, energy, communications which determine productivity everywhere else. It would not have been any good, for instance, greatly improving the quality or the quantity of cotton textiles in Lancashire in the 1780's if the moment they left the factory, they stuck in the mud. But in England, on the roads such as they were in the mid-18th century—this is exactly what would have happened. King George III once took three days to get to Tunbridge Wells and stuck all the way. No industrial system could be run on that basis and so the improvement of canals and the introduction of turnpike roads were crucial changes in the infrastructure in Britain. All this was again, very expensive and it was only the beginning. Better methods of iron founding and the discovery of power from steam led on to the steam engine and on to railways which, at the cost of vast new investment, made the mass transportation of industrial goods possible in a quite new scale.

Behind these physical changes lay another element which is probably the most important of all—the revolution in education. It was partly a "do-it-yourself" job in the early 19th century. It was employers and "mechanics" themselves who began to build mechanics' institutes up and down the new English cities. It was partly a missionary effort. The churches opened schools all over the country. It was not until 1870 that education became a government responsibility. But all through the 19th century literacy went on increasing from what had been quite a literate base. Men and women had, after all, been reading the Bible for two or three hundred years (a habit they have given up now, more's the pity, as much for their view of life as for their literary style). By the end of the 19th century, one of the largest, steadiest recurrent charges on the economy lay in keeping the level of education in step with the growth of the economy.

All these needs added together—agriculture, the beginnings of industry, infrastructure—transportation, power and energy—education—demanded massive amounts of capital and in the first stages of growth, they needed it all at once. Factories could not get going until agriculture provided food for the cities. And agriculture could not increase output until there was more scientific research into methods and more research implies more education. So all the needs impinged on each other, and without movement on every front there was little hope of what we now call "take-off," in which the momentum of each has to help the momentum of all.

It is only when everybody's expansion begins to push everybody else's that a genuine movement toward sustained growth sets in. And of course the process is economically expensive. Not all the city gentlemen in the world, not even all the dukes, had enough capital for it—though they had plenty. So where was the extra capital income to come from? It could come only from the labor of the masses. The new working class was unorganized, had no trade union protection, was still largely illiterate, and each worker had always pressing behind him more people who wanted to leave the country and get a job in the town. In these conditions, you do not have to pay workers much more than it takes to keep them alive.

And it does not take much to keep a child of ten alive, especially if the employer does not much mind whether he survives or not. Therefore, in those early days wages did not go up. In fact some economists argue that there was virtually no increase in real wages until about 1860. So, while the productivity of the machines went up, the wage cost remained roughly the same. All the intervening output was available for further investment, and it was through the enormous acceleration of industrial profits that savings were subtracted from the people and their potential

consumption and devoted to the creation of more means to further production.

This is the primitive capital accumulation of which Marx speaks and which he saw at first hand. This is how the massive amounts of necessary capital were secured—not only out of the savings of the rich, but even more widely out of the savings of the poor. This is how the first "breakthrough" occurred. And given the need for immense initial capital investment, a period of sharply increased saving must recur in the broad pattern of every developing economy if it is to reach the state of self-sustaining growth.

III.

As a result of the breakthrough in Britain, the system spread very rapidly to those countries which most resembled Britain—Western Europe and North America. And from about 1870 onwards, the North Atlantic arena has in fact made up an unconscious community of powers all more or less through the first stages of capital growth and all enormously dependent on each other. Seventy per cent of their foreign investment was made in each others' territories and they grossed something like 70 per cent of world trade. Although people did not notice it at the time, the Atlantic world has long been a profoundly interdependent economy in which changes in the interest rates in New York could create havoc in London and vice versa. We did not see ourselves as a political and moral community, but we were an economic community already; of this there is no doubt.

At the same time the fact of this tremendous economic breakthrough in one part of the world began to have widespread effects everywhere else. Either directly or indirectly, the whole of the rest of the world was more or less drawn into the new world-wide economic system based upon London and Paris and Berlin and New York—directly through colonial control, indirectly through the predominant influence played in each country by the fact of producing for the Atlantic market. Colonial, or, as no doubt the Leninists would say, neo-colonial dependence of the entire world upon this vigorous thrusting Western economy became a fact.

The dominance was not wholly due to the Western revolution of science and technology. Merchants from western Europe had gone out and created a colonial empire in Asia long before the Industrial Revolution. The Dutch took over Java in the 17th Century and the British infiltrated India in the 18th century; as a result, the Industrial Revolution came at a time when there was already a Western colonial empire. But the extraordinary dependence of the rest of the world upon Europe really dates from the transformation of the West into its modern form of scientific and technological society. And the uncommitted areas, as

we call them today, are very largely those parts of the world which were profoundly affected by the outward thrust of Western growth in the last hundred years. And if we want to understand their dilemmas today and also what policies they want to pursue, then it is very important to see what this stated colonial or semi-colonial dependence entailed for them.

Up to a point, it started the processes of modernization among them as well. A sort of first nudge towards modernization was being delivered all around the world, in the main by Western traders, Western investors, Western administrators, Western missionaries and educators. We were as busy then as the Communists seem to us now. We were then, all around the world creating—though not always meaning to—the beginnings of the Western pattern.

You can see the Western impact in all the sectors that are essential to the growth of a modern economy. First of all in the field of education, the colonial powers did not give much education but they made a start. And the educated few quickly picked up from the West the ideas of political and national equality which the West supported at home. In India, the paradox developed of the imperial power educating its own people to those principles which would make it impossible for the imperial power to stay. Many of the British administrators applauded this. Some of the greatest believed that the only possible justification for British presence in India was that they would introduce the kind of modern education which would banish the old servitudes. Lord Macaulay, for instance, declared that the best contribution that Britain could make to India would be to open Indian education to the new scientific and philosophic riches of the West, and then went on to do so. It was as early as 1855 that a complete modern university system was established in India. For an elite, at least, there was education in depth in the new ideas, and, not surprisingly, by about 1890 the ideas were flowering into practical politics in a mass movement to secure national self-determination—a movement which culminated in Gandhi's and Nehru's leadership of the Congress party.

This is an example of the transfer of the Western idea in some depth, even if only to an elite. But all around the world students began to feel the new winds of change, which have been blowing rather longer than some people seem to imagine these days. The winds of change in these societies gave to a new, very small, educated elite the idea of achieving Western ideals for their own society. Clearly, the ideal was much more remote in tribal societies with little tradition of a developed culture than it was in a great country with an ancient civilization such as India. And if I speak in shorthand about uncommitted and underdeveloped areas, I would beg you to bear in mind the enormous differences be-

tween, say, the cultures of Asia which have a philosophy and a tradition going back over thousands of years, and the continent of Africa where on the whole the whole experience of modernization has to be clamped straight on to an undifferentiated tribal society. The problems are very, very different.

Where they resemble each other, however, is that in all cases, it is the Western impact which has stirred up the winds of change and set the processes of modernization in motion. Education brought not only the idea of equality but also another belief which we used to take for granted in the West—the idea of progress, the idea that science and technology can be used to better human conditions. In ancient society, men tended to believe themselves fortunate if tomorrow was not worse than today and anyway, there was little they could do about it. The idea, the revolutionary idea, that tomorrow might be better and that man can do something about it is entirely Western—and all around the world it inspires what Mr. Adlai Stevenson has called "the revolution of rising expectations." If a man has lived in a tradition which tells him that nothing can be done about his human condition, to believe that progress is possible may well be the greatest revolution of all.

While these new ideas were strewn around the world, we Westerners also began to change the world's economic and social fabric. By and large little was done about agriculture. Subsistence agriculture for the domestic market was left where it was. But one big change was introduced. Western capital built up cash crops for the export market and some local landowners and peasants were also drawn into production for export. This development did create some enormously valuable export industries such as jute and cotton and tea in India, or cocoa in Ghana, or ground nuts in Nigeria. In this field Western needs spark genuine economic transformation in the underdeveloped areas.

These export industries also demanded some infrastructure—in transport, in the building of ports. And in countries such as India where there was some indigenous tradition of entrepreneurship, it was stimulated by some aspects of the colonial period. Settled order after the Mogul Interregnum, the growth of commercial law, the stimulus given by a certain amount of western investment led to the development of a business class, particularly in the areas around Bombay where there occurred something like a small local breakthrough to sustained growth. Thus, some of the preconditions of modern growth appeared—some education, some building up of infrastructure, some export industries, the beginnings of local industrial production. These things happened. But compared with what has to be done to thrust a community through the sound barrier of sustained growth, it amounted to very little.

It was enough to whet the appetite but certainly not enough to satisfy

it. In shorthand one might say that all through the uncommitted ex-colonial areas today, people who for years have blamed their lack of progress upon colonial rule now have their independence and are determined to catch up. They have seen enough of the beginnings of change to want it all, to want full modernization.

Yet if they are to modernize fully, they are faced with truly daunting and appalling difficulties. In a continent like Africa, you have to begin most things almost from scratch. Above all, there must be a massive effort in the field of education—which is extremely expensive. Add to this the whole apparatus of a modern state, transform agriculture, build up industry—and the amount of capital needed, once the plans of development are ready, is going to be immense. Even in regions such as India where many of the preconditions of sustained growth already exist in terms of education and infrastructure, new problems come up simply in the process of growing. Let me give you one instance. Most Asian countries experience great difficulty in expanding their exports. This means that the essential foreign exchange component for their plans of industrialization and expansion is usually lacking. Even if the Indians were to save even more than they do—and they are beginning to save on quite a scale—they still would not be able to lay their hands on all the marks and sterling and dollars they need to secure essential imports which they still do not produce in India.

These are particular instances of a general fact. All these societies—in Africa, in Asia, in Latin America—face the fact that although they are desperately poor and most of them in addition are under tremendous pressure from a growing population, they still have to master the challenge of a massive accumulation of capital in the early stages of their plans for growth.

If, as in India, national income is not above $60 a head, to save 15 per cent of it is not very attractive. To save so much may entail saving oneself over the brink, and people tend to avoid such a choice. Today India is attempting the extraordinary experiment of *persuading* people to modernize and to mobilize this massive investment while exercising free political choice and voting—or not—for the government in power. This has never been done before. Nobody asked the Russians if they approved Stalin's plans. Nobody asked early American migrants what they thought about primitive capital accumulation as they huddled into the raw new industrial cities of the United States. At the crucial time of change in Britain nobody asked the new laborers streaming into Birmingham and Manchester and London whether they wanted to save; they had no vote and no choice.

In much of the underdeveloped world, institutions are actually or nominally democratic, and therefore people are going to be able to say

whether or not they want to save on an income of $60 a year. Clearly, this presents acute political difficulties. If one says to Patel Rau on his little farm: "Yes, your children will be very much better off and you yourself will be better off in 20 years time, but right now we are going to double the income tax," one can guess fairly shrewdly whom he will not vote for next time. This political dilemma is inseparable from the fact that the early stages of economic transformation are desperately expensive and demand an immense injection of capital which, by and large, can only come from the mass of the people. Only their savings are extensive enough to set the process of growth in motion. Among all the many dilemmas the uncommitted areas face today I would therefore give two pride of place—the problem of *persuading* people to save up to 15 per cent of national income; and the problem of doing so within the framework of more or less free choice.

IV.

Now, given these dilemmas, we are, I think, in a better position to see why Communism exercises a certain deadly appeal. Let us look at the way in which Communism arrives at its answers to the problems of modernization. The process has very little to do with what Marx and Lenin thought, but it has a great deal to do with the system of power which, as a result of their impact, has developed in Russia. There is no time to elaborate what Marx thought about the capitalistic economy. But one must admit that, when he elaborated his theories, he had more creative insight than many of his contemporaries. He saw that the transformation of society by industry and technology and capital was creating a wholly new world. Marx had a much clearer vision of the revolutionary implications of the system than people like Hume or Smith or Ricardo or even Malthus. Marx alone had the overwhelming sense of the dynamic change involved by the coming of capital accumulation, technology and industry. His error arose from the fact that he thought the period of primitive capital accumulation which he saw in Britain was the shape of capitalism for all time. He therefore forecast that under the system the poor would go on getting poorer until, in despair, they brought the system down. In fact, they began to get richer. Marx did did not realize that the enormous productivity of the new machines would permit quite a lot of wealth to "trickle down" to the masses. He did not see that the workers themselves in a constitutional society would begin to organize for their own protection as the merchants had done some hundreds of years earlier. He did not see that, given the vote, some politicians would ultimately realize that there were more poor than rich and would seek the votes of the poor by "soaking the rich." In fact, there were a great many things that Marx could not see because he did not believe that any political system could be independent of its economic

base. The government of a capitalist society *had* to represent solely capitalist interests. In fact, of course, the economic base of a society is profoundly influenced by its political structure and, in a free society, the majority vote can determine political decisions—such as income tax or social security or welfare—which the rich would never introduce on their own initiative.

So Marx was trapped with his "impoverishment of the workers." When, after 1860, they began to grow markedly better off, it is my secret belief that the contradiction explains why Marx never finished *Das Kapital.* Any writer knows perfectly well that if on page 20 you find your assumption on page 1 is wrong, the result is enormously discouraging. You probably feel suicidal even if you do not actually die. Marx, however, died, and the book was never finished. Then Lenin took up the story and he was still puzzled as to what had happened. *Why* was it that these western workers simply were not behaving as Marx had predicted? Marx had worked out his theory very carefully. Capitalist exploitation—the transfer of the savings of the masses to the pockets of the entrepreneurs—built up an industrial structure since the entrepreneurs reinvested these savings. This was their historic function in the phase of primitive capitalist accumulation. But Marx believed they could not do anything but exploit. Purchasing power would not be shared with the masses. Workers would become more impoverished. The system would be racked with curses of overproduction. Cutthroat competition would reduce the number of capitalists until a tiny group of wealthy owners would face a vast array of the dispossessed who, conscious of their strength, would "expropriate the expropriators."

But Lenin had to face the fact that although the capitalists had indeed built an industrial structure, the workers within it were not getting poorer, they were getting better off, and far from becoming more revolutionary, they were becoming disgustingly tame. So Lenin had to think again. And he came up with a theory which is still of enormous importance.

He developed the idea that the coolies, the fellahin, the Bantu, all the workers of the underdeveloped world were being so desperately exploited by the Western powers that enough wealth was being sweated out of them to bribe trade unionists in the West into passivity. In other words, the well-being of the Western working class was being sweated out of the colonial laborer. There was an element of truth in this theory —but as usual not the whole truth. In point of fact the mass of Western investment at that time was not going to colonial areas at all. At least 70 per cent of it was going to the closed, magic circle of developing north Atlantic nations. Lenin apparently never looked at the capital exports nor did his precursor, Mr. Hobson. They examined the trade

figures, but not apparently capital exports. Now I come to think of it, maybe such statistics were not available anyway. One tends to assume that in the 1870's there were already the relevant statistics. Probably there were not. However, from what we have been able to piece together later, it seems clear that, as I have said, 70 per cent of the capital which was supposed to be going out to exploit the underdeveloped areas was in fact comfortably adding to the income of the developed areas.

Lenin's presupposition was thus partially wrong. Nonetheless, his idea of the colonies being exploited for the sake of European countries had enough elements of truth to make it an idea that is very difficult to erase from the colonial or the ex-colonial mind—especially since he added political overtones to his economic analysis suggestive that *any* form of foreign investment would amount to colonial control. The "monopolists," he argued, would make sure that the local government was under their control and they would then fight to keep everybody else out, thus launching an unending series of imperialist wars.

In Lenin's *Imperialism: The Highest Stage of Capitalism*, published in 1916, everything is included: communism, capitalism, colonialism, war. The whole of reality is explained. And I must say it makes very convincing reading provided you do not know some of the facts. It has that wonderful consistency which can be obtained only by leaving out all the things that do not fit. And it is essential reading if one is to understand how Mr. Ho Chi-Minh or Mr. Chou En-lai is thinking—and possibly Mr. Lumumba was thinking—and in general how the mood of the ex-colonial peoples is determined these days.

It is much more influenced by Lenin than by Marx. Marx is a legendary figure, but Lenin is still the up-to-date prophet. And this emphasis on how imperialism corrupted the Western workers, and the West sweated wealth from their colonies and how, as long as Westerners continue to invest in the colonies or ex-colonies, they will continue to exercise colonial or neo-colonial control—these are themes that make an enormous impact on thinking in the uncommitted world.

Now Lenin had explained to his own satisfaction why the West was no longer revolutionary. Yet he was still stuck with the fact that they were not revolutionary. What was he to do about it? At this point comes the great split inside the Communist movement between the Bolsheviks and the Mensheviks. The Bolsheviks specifically ceased to aim at a mass movement but set up instead an inner conspiratorial elite to lead the mass movement. Lenin, as it were, gave up history. He saw that history was not going his way; so he forged an instrument to dominate and create instead. This is the role of the elite party in Communism. It accepts as an objective fact that the working class should be revolu-

tionary. It ignores the stubborn reality that it is not, and claims to lead it to the "truth" which it fails to recognize. Communism becomes not so much a revolutionary mass movement as a small elite waiting for a revolution it can guide and exploit.

Lenin might have had to live and die as the spearhead of a non-existent revolution. But he was lucky since the Western powers, by precipitating the first world war, created a revolutionary situation which had nothing to do with Marxism but had everything to do with the collapse of a society—and in that collapse, Lenin and his conspiratorial group were able to seize power because no other structure of power remained. This is what happened in Russia in 1917.

Imperial Russia was totally unlike the kind of country in which Marxism should have succeeded. It had a very small working class. Its industrial structure was in a very early phase. Eighty per cent of the people lived on the land, largely in subsistence agriculture although some regions were involved in the export trade in grain. There was no developed bourgeoisie; the rulers were still imperial bureaucrats. Thus the society was as unlike the revolutionary society predicted by Marx as any could be, yet it was genuinely revolutionary for a quite different reason. The people were sick of the war. It was not a Communist but a war-weary revolution; it was, as it were, lying about so Lenin picked it up—just as I fear in Cuba a genuine anti-dictatorial revolution has been "picked up" by Castro. In other words, a revolution need not in the least resemble the Marxist definition, provided the Communists can get hold of it; revolution is a sort of commodity on to which they can lay their hands.

In 1917, a very convenient revolution was available in Russia and they seized it. Then came new difficulties. With the moribund country on his hands, Lenin did not know what to do next. He had always assumed that the revolution would hand over an industrial society intact. On the contrary, Russia was largely agricultural; what industry there was had been wrecked by the war. Virtually one had to start from scratch and so little idea did Lenin have of what to do that he reintroduced private enterprise in his New Economic Policy to try to get something started by the only route Marxism recognized at that time—the activity of bourgeois entrepreneurs in building an original industrial structure.

It was not until 1928 that Stalin made his personal contribution to modern communism—which was to discover what it really meant. And this is what it means: the organization under total autocratic government of all the resources at the disposal of the community in order to achieve the most rapid accumulation of capital and thus to move with the utmost speed toward modernization. The model Stalin followed

may well have been the mobilization of men and material which went on in the West during the first world war. In that period massive accumulation of capital and total mobilization of labor were devoted to blowing up the enemy, but the pattern of total planning emerged in the effort of waging total war. So Stalin applied it to his disorganized and faltering Russian state. In some areas, the effort was a terrible failure. To this day its application to farming works very faultily. But from the point of view of accelerating many of the processes of modernization, it had a terrific impact. Industry, infrastructure, above all education, leapt forward as a result of an enormous input of capital into the Russian economy. The wretched Russian people probably had to save up to 25 or 30 per cent of their national income and out of it came a new pattern of modernization, "forced-draught-modernization" under the total control of a political elite who are prepared to use any political weapon necessary to force saving and to achieve modernization.

The importance of this pattern to the developing world is obvious. Most underdeveloped lands are more like Russia in 1914 than America in 1961. Leaders struggle with the fact that there is little education, that subsistence farming is the rule, that there is almost no industry, that colonialism has left no more than the beginnings of this, that and the other modern sector. What is more, there are only a handful of people to run the government—the size of the educated elite is minute. The temptation to attempt a Communist short cut and to impose modernization and saving by a terrific fiat of government and by total planning is enormously strong. We would be very unwise to underestimate the appeal of quick action to societies where so many of the people have the feeling that the old is dead, yet the new cannot be born. Such times of transition impose tremendous psychological strain and tension. The quick answers and the short, drastic measures have the appeal which they have for all of us when we feel we are in a terrible mess.

In addition, they are backed by decades of indoctrination in Leninist ideas. Chou En-lai and Ho Chi-Minh, for instance, received a Marxist education in Paris. One of the reasons why on the whole African leaders are more moderate in their politics is that they learned the "welfare socialism" of the London School of Economics. But the fact remains that Marxist influence in education between the wars was very widespread. When I was at Oxford, the only reason why I did not become a Communist was that I was interested in music, not politics. In politics the smart thing to be was a Communist. This was the time when Hitler was coming to power; there was immense stagnation in the Western economy: millions of men were out of work. One had the general feeling that the capitalist system was all washed up. And there were the Communists saying: "Join us in a wonderful popular front and we'll stop

the Fascist beasts." It was all very attractive.

Many people who have since seen the light probably flirted with Communism at that time. The same kind of flirtation is going on now among the leaders of the underdeveloped world for whom Leninism still seems to fit the world's facts. And when, as in the Congo, the owners of the Belgian mines helped to detach the wealthiest part of the Congo and set up a separate Katanga state—I was in Africa at the time—one could see a sort of Leninist glaze forming over the African eyeball. Here were the Belgians seeming to behave like classic Leninists—with disastrous results. Every time there occurs a repetition of events which could conceivably be interpreted on Leninist lines, the old ideas return in force from the subconscious where they are still lodged. Dormant ideas are stirred to life and Communism recovers the stamp of absolute truth.

V.

What can we do to offset the appeal of Communism? We have begun to take one essential step: the colonial system is ending. But I doubt if we realize that the post-colonial phase is infinitely more difficult than the immediate transfer of power. It is in the post-colonial phase that the new nations really face the question of what they have to do, and there is nobody but themselves left to blame; the new leaders are now in charge and have to shape their own policies. Therefore we need to give much greater thought to the problem of framing our strategy towards the uncommitted areas during this new post-colonial period.

In the first place, I do not think that we shall ever get rid of the Leninist picture of exploitation unless we put in its place some image quite different from that of the wealthy West making money out of poorer lands. We should never have reduced Communism to a marginal creed inside domestic society in the West if we had not moved forward to the present era of mass consumption in which more and more people share in the benefits of our economy. But we have yet to make that kind of shift in the world at large and at the moment, on the contrary, I think one can say that the Western powers are undeniably growing richer—all confidently expect to increase their national income by at least three per cent a year; it is almost bad form to grow by only two per cent and many people feel that five or six per cent is a much more respectable rate of growth. At the same time the underdeveloped areas are growing poorer. Political disorganization, lack of skills, almost total lack of capital, poor terms of trade—all these push the trend downward and the old Marxist prediction of the rich growing richer and the poor growing poorer, banished from domestic society, is reappearing in the world at large.

This, basically is the situation for which we urgently need a strategy—unless, of course, we are content to see the poor nations slough off into

some kind of semi-Communist system all around the world. Perhaps such a development would not be as catastrophic and disastrous in terms of our security as we sometimes think. Personally I think the more countries Moscow has to control, the more troublesome they will become. This was certainly the experience of Britain in extending its colonial system, and I do not know that Moscow has infallibly found the way to be effectively imperialist in the modern world. Its experience with Tito—or Albania—certainly suggests that there is trouble ahead.

But I think the extension of Communism would be tragic for other reasons. The first is that all these uncommitted areas have had some dream or some vision of an open society and to condemn them to the straitjacket of a totalitarian system would belie their fairest and most responsible hopes. Secondly, I think a Communist advance would have very unfortunate effects on the West. Every time a chunk of the world fell off into the Communist lap, we might see an enormous increase of extremism in our own countries, panic expansions of the John Birch Society, aggressive right wing movements springing to life, determined to defend freedom by seeing a subversive in every neighbor and destroying any prospects of a steady, sober and rational world.

The strategy we need for this post-colonial period should, I suggest, have two chief aspects. The first concerns what we do for ourselves in the West. The Atlantic world is a genuinely interdependent economy and, that being so, we had better conduct it as though it were one. We should abandon the Micawberish idea that as long as every nation does what it wants, the result will be perfect for everybody else—an equation that does not balance out in economics. The "hidden hand" works well in certain conditions, not in others. Certainly in our seventy-odd years of interdependence we have made a mockery of it by two disgraceful wars and by a depression to end all depressions. Surely we can do better than that.

At least during the Marshall Plan, we did have a strategy—thanks to American generosity—and we built a series of institutions which enabled our Atlantic world not only to restore itself after the war but to become a new kind of society in which a certain measure of affluence spread all through the North Atlantic arena, and in which free competition working in the market system recovered a luster which it had lost in the 20's and the 30's. This shows remarkable powers of initiative and transformation. But are we maintaining the momentum? On the hopeful side is the growth and extension of the Common Market. Yet signs of strain are appearing, such as the balance of payments problem of both sterling and the dollar. And America now faces the challenge of a united Europe rather as Britain faced it before 1961. Are we adult enough to *opt* for purposive cooperation to face these difficulties or shall

we keep the adolescent dream that, provided you pursue your own interests, everything will turn out well? Such a reliance on automatic adjustments may work in certain conditions. It certainly does not work of necessity inside a large economically interdependent grouping of powerful states.

If we decide to cooperate, one of the first moves we have to make is clearly to arrange our international balance of payments system in such a way that we are not always tripping over currency shortages and not allowing our trade to be checked and diverted and restricted by the fact that we do not control enough currency reserves to finance a steady expansion of trade. Now that Europe has recovered, it cannot expect the dollar with some support from sterling to continue to bear the entire burden of financing the ups and downs of world trade. The result, as in 19th century banking, is insufficient liquidity with the consequent risk of a run on the bank. This is roughly what happened in the summer of 1960. In Victorian times, runs on the bank were something the economy took in its stride, but then America invented the Federal Reserve system and its financial institutions became more orderly. Clearly what we need in the Atlantic world is something like a Federal Reserve system to increase the liquidity and availability of the working capital needed in international trade.

Next, I suggest we need to move forward steadily towards lower barriers of trade so that we shall finally see—shall we say, in the next two decades—the Common Market extend as far as San Francisco. My hope, I must say, is that the British will go into Europe and then together with Western Europe put the same pressure on America as did the Europeans on the British—the pressure of such competitive growth and economic efficiency that finally the Americans say, as the British are saying: "If you cannot lick them, join them." This is what is happening to Britain now. And I suspect that this may be the chief way by which an Atlantic community, based upon the fullest possible division of labor and exchange, will come into being.

Thirdly, the Atlantic Powers need a joint strategy for development in the underdeveloped areas. Here we reach the policies which we must undertake for the rest of the world. At the moment America is carrying far too much of the burden, and this is one of the chief reasons for its balance of payments problem. But if, as the American administration has now proposed, one per cent of national income in the West were to be devoted to a long-term economic strategy for the developing areas, then we might begin to counter what is after all their most crucial problem—their desperate shortage of capital and skill in this first phase of economic development. One per cent of national income would create a flow of about eight billion dollars of capital assistance each year. It

could be in long term loans. It should be geared—and this is a very important point—to a proper strategy of local development. It should not go into apartment houses; it should go into ports and roads. It should not go into military establishments; it should go into education. It should not go to chinchillas and Cadillacs; it should go into basic industry. All this calls for a systematic "Country Plan" in each area with proper priorities and a real strategy of growth.

Wherever such a strategy appears in the uncommitted areas, then capital, provided from the West, could do two things. It would counter the most difficult problem in a free, developing society—that it is almost impossible to *persuade* people to save when they are desperately poor. If a society is to save drastically without outside help it will be tempted to give up the open society and resort to totalitarian disciplines. Secondly, sustained and massive Western aid could reverse the Leninist picture of the exploiting West to such a degree that 20 years from now Lenin's theories might begin to look as silly as does Marx's principle of Perpetual Impoverishment. We could change the pattern of people's thinking. And once that is accomplished, we shall have done more than any other policy to change relations between rich countries and poor. In short, a long-term strategy of this sort would, I think, begin to give us a genuine program for dealing with the post-colonial phase.

The difficulty is not, perhaps, in securing the capital. The idea of economic assistance may have reached the point where it is more or less accepted by public opinion. Where an alert and enlightened public reaction is crucial, will lie in securing aid over a sufficiently sustained period for it to be fully effective. The effect of granting it year by year through congressional appropriations is to limit sensible forward planning. A sustained strategy of growth does not follow an annual cycle. It begins in a small way with a pre-investment program and with training in new techniques; then it swells as modernization gets under way and at last after a decade or so it tails off as the point of self-sustaining growth is reached. Annual appropriations disrupt this cycle. At the end of every appropriation year, money has to be spent hastily because it cannot be carried over to the next year. The *certainty* of securing enough capital over the life of a whole plan is lacking. Short term pressure and long term insecurity are the recipe for faulty, wasteful spending. The Indian government, for instance, which, with Pakistan, has made by far the most serious attempt to devise a long-term development strategy, urgently seeks not so much a massive increase in aid as a ten-year guarantee which will enable it to work within a larger developmental pattern and not spend its officials' time running backwards and forwards to Western governments to see if something more can be scraped together under present allocations.

This then is one of the first principles that must underly any development strategy. The Western powers should undertake the task of assisting in the world's modernization as a permanent responsibility, fully as binding as the task of defense—and infinitely more rewarding. The obligation will be accepted only if public opinion thoroughly understands and supports it—as it supports defense or social security. And in creating this attitude of mind, no group holds a greater responsibility than those who work with the various media of mass communication.

VI.

Some times, when one looks at the more trivial sides of our popular press and our television, the miracle is how informed people contrive to be. Yet, if we look back over the last ten years, I think we can mark a steady growth in people's desire to know the facts and to ferret them out and find out what is really happening—coupled perhaps with a healthy skepticism about many of the facts which they are offered. This is a sign surely of a growing literacy and maturity in public opinion in the West. We should not, therefore, begin on the note of lamenting that nobody knows what is going on. I do not think this is true. Nonetheless, newspapers and television have a new and special resonsibility because the dilemma before the western people at the moment is a unique one. They have come to a period of maximum crisis in human affairs at a time when they have never "had it so good" themselves. An enormous crisis is going on in the world—one of the great revolutionary changes of all times. But we in the West have already passed through its strains and upheavals and are beginning thoroughly to enjoy its fruits. Our temptation is therefore to feel that the crisis cannot really be as bad as people say, and that, after all, some solution will turn up and maybe we will not need to do anything very bold or forward-looking ourselves. Or we may simply not think as far as that and just get on with the myriad pastimes and preoccupations made possible by the affluent society. This then is the nature of our new dilemma. An immense drama of change and hope is occurring around the world while some of the chief actors think they are in the wings.

We are not. We are right on the middle of the stage—and we do not seem to know our parts. Nor is there any hope of public opinion acquiring either the sense of the world's drama or of the West's key role in it unless those who work in the field of communication bring seriousness and integrity and force to their task. To understand the scale of the world's crisis, people must understand its background. Some papers give none—leaving the news patchy and meaningless, one series of chaotic crises after another. Or they give a background with such bias that the news appears coherent but is in fact untrue. It may well be, therefore, that the greatest responsibility before "communicators" is to learn how to

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work in the field of mass communications would take with you a spirit of dedication to knowledge and truth. Who knows but that by your reporting, by your way of conveying this tumultuous world to people who sit cozily at home, you may be able to create that mood of commitment and courage which we desperately need if we are to survive in the crises of our time. Yours is a very high calling, a very noble and a very honorable calling, and one which should be approached with all the dedication that a true sense of vocation can give.

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The following lecturers have appeared at the University under the auspices of this Fund:

DATE	LECTURER
1951	Erwin D. Canham, Editor of *The Christian Science Monitor* SUBJECT: "A Free Press in a Free World"
1952	Herbert F. Goodrich, Judge, United States Circuit Court of Appeals SUBJECT: "The Law Has Growing Pains, Too"
1954	Geoffrey Crowther, Editor, *Economist*, London SUBJECT: "Free Enterprise Versus Planned Economy"
1954	Joseph N. Welch of the Boston Bar SUBJECT: "Senate Hearings"
1956	Dr. Edward S. Mason, Dean, Graduate School of Public Administration, Harvard SUBJECT: "Competitive Coexistence in South Asia"
1958	Dr. Albert Y. Badre, Professor of Economics, American University of Beirut (then Chief, Middle East Unit, United Nations Bureau of Economic Affairs)
1959	Arthur H. Dean, Partner in Sullivan and Cromwell in New York SUBJECT: "Human Relations and the Law"
1960	Prof. Arthur Larson, Director of World Rule of Law Center, Duke University SUBJECT: "World Peace Through Law"
1961	Shelden E. Elliott, Director of the Institute of Judicial Administration, New York University SUBJECT: "Better Justice for All; A Decade of Progress 1950-1960"
1961	Barbara Ward, Corresponding Editor, *Economist*, London (In private life, Miss Ward is Lady Jackson, wife of Sir Robert G. A. Jackson, Chairman of the Development Commission, Ghana) SUBJECT: "The Unity of the Free World"

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Those who go into the mass communication industries should go in with some equipment of history, some equipment of philosophy, and above all a deep and sensitive awareness of other parts of the world. A new world-wide dimension has been added to what we have to know. But we shall never acquire it unless those whose job it is to inform us are prepared to do the hard, devoted job of acquiring the necessary background. Anyone aiming at journalism today should for instance have read enough of Chinese and Indian history to have some sense of why Asia is what it is, and why the reactions are what they are. I defy anybody to understand what is going on in China now if he knows nothing about the history of the last hundred years, since so many of China's responses are profoundly conditioned by what happened in the 19th century encounter between China and the West.

The need is no less in other societies. The whole world has been drawn into a single scientific and technological society by Western action. We are all neighbors, we all sit on each other's doorsteps, and we have a direct responsibility to inform ourselves both about the impact of what we in the West have done and about the consequences for all of us of the vast changes we have wrought in human society. Perhaps of all things that I would wish for you in a school of journalism is that you should never regard your work as only day-to-day reporting, because day-to-day reporting can be like a fevered dream if it is not linked solidly with the facts of history, of social change, of economic transformation. The more your reporting is given in depth, the more the people you are informing will display the kind of public opinion that can support leadership in a time of crisis and has the vigor and confidence to go forward with the revolutionary changes in policy which our times demand.

If you know nothing in depth, you are much more a prey to fear and irrationality. If you know nothing in depth, you are much more likely to be beaten this way and that by the tides of the moment, much less inclined to see that in human affairs there are deeper dimensions—of history, of faith, of loyalty—and that they are a source both of our stability and our strength. So I would wish that all of you who intend to work in the field of mass communications would take with you a spirit of dedication to knowledge and truth. Who knows but that by your reporting, by your way of conveying this tumultuous world to people who sit cozily at home, you may be able to create that mood of commitment and courage which we desperately need if we are to survive in the crises of our time. Yours is a very high calling, a very noble and a very honorable calling, and one which should be approached with all the dedication that a true sense of vocation can give.